

REMARKS

In the above-identified Office Action, the Examiner has objected to claims 31, 32, 41, 42, 46 and 47 as being in improper form. Applicant does not understand the Examiner's objection in this regard. The claims are currently in the form that is exactly as prescribed by MPEP §608.01(n). As such, they do refer to the claim being dependent upon in the alternative only, and therefore, reconsideration of this point is respectfully requested and examination on the merits requested.

Claims 26, 29, 30, 40, 41, and 36 have been rejected as being unpatentable over the Japanese publication to Kato in view of Hoffberg et al. The Examiner has stated that it would have been obvious to modify Kato to include encrypting transmitted information as disclosed in Hoffberg because it would advantageously enhance the security of the system. The Examiner has specifically stated that Kato does not teach encrypting transmitted information. Hoffberg does not teach the use of encryption with automatic vending machines. In fact, Hoffberg merely teaches, at least with regard to or at least relative to the subject application, the mere concept of encryption of data. Accordingly, there is no suggestion in Hoffberg to use encryption in the environment presented by the subject application. The applicant has amended claims 26 and 36, the independent claims herein, so that they now more emphasize and more positively claim the automatic vending machine, which is the focal point of the invention. Thus, the automatic vending machine analyzes and provides information concerning points to the consumer. These actions are initiated by the consumer in response to information provided by the automatic vending machine at the time of the sale. Thus, not only is there interaction between the automatic vending machine and the center device but also between the consumer and the automatic vending machine. The interaction between the automatic vending machine and the consumer takes place after the sale of a product and in response to the sale of the product whereas in Kato, the ultimate object of Kato's transaction is credit approval. Thus, neither Kato nor Hoffberg suggests the provision of point information by an automatic vending machine to a consumer as a result of a product

transaction at the vending machine. Applicant notes that Kato is directed to the act of a consumer in his purchase of a product on credit from a vending machine whereas the subject application is directed to a rewards program having immediate awards possibility conveyed to the consumer after the purchase of a product at a vending machine.

Applicant's invention is completely different from Kato's credit managing method.

Claims 28, 33 to 35, 38 and 43 to 45 have been rejected as being unpatentable over Kato in view of Hoffberg and further in view of Deaton. The subject claims here are each dependent on either claims 26 or 36, and accordingly share each of those limitations, which as stated above render the subject and invention patentable over the art of record.

Further, none of the art of record, in particular Kato and Hoffberg, teach a program which concerns itself with issuing points upon the sale of merchandise at an automatic vending machine whereby these points are totaled and managed in a central location and information concerning these points is then conveyed to the consumer by the automatic vending machine. Such a program is not suggested by the art of record.

Further, as stated above, there is no suggestion that Hoffberg's programmable system be utilized in an incentive program in the retail context and accordingly, cannot be combined with Deaton's or Resnick's incentive programs in an obvious manner. Hoffberg expressly states that applications of his invention may be a VCR, medical device, vehicle control system, audio device, environmental system, securities trading terminal and smart house. There is no suggestion of its use in a retail incentive context. Accordingly, the combination with Resnick and Deaton cannot be made.

Applicant hereby requests reconsideration and re-examination thereof.

With the above amendments and the remarks, this application is considered ready for allowance, and Applicant earnestly solicits an early notice of same. Should the Examiner be of the opinion that a telephone conference would expedite prosecution of the subject application, he is respectfully requested to call the undersigned attorney at the telephone number listed below.

Respectfully submitted,



Gerald T. Shekleton
Registration No. 27,466

Dated: **October 14, 2005**
WELSH & KATZ, LTD.
120 South Riverside Plaza
22nd Floor
Chicago, Illinois 60606-3912
Telephone: (312) 655-1500
Facsimile: (312) 655-1501